

**Illinois Department of Revenue
Regulations**

Title 86 Part 130 Section 130.1985 Pawnbrokers

**TITLE 86: REVENUE
PART 130
RETAILERS' OCCUPATION TAX**

Section 130.1985 Pawnbrokers

a) Pawnbrokers Primarily In Service Occupation

Pawnbrokers are primarily engaged in the business of lending money for the repayment of which they accept tangible personal property from the pawner or pledgor as security.

b) When Liable For Tax

In case the pawner or pledgor does not redeem the property pledged or pawned within the specified statutory time, such property is forfeited to the pawnbroker, to whom title to the property passes at the time of such forfeiture. Where pawnbrokers thereafter engage in the business of selling such articles for use or consumption, they are making sales within the Retailers' Occupation Tax Act and are required to remit Retailers' Occupation Tax to the Department on their gross receipts from such sales.

(**Source:** Amended and effective May 21, 1962)